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October 23, 2012

## VIA FEDERAL EXPRESS

A. Shane Hitchcock, Chief Emergency Response & Removal Branch Superfund Division US EPA, Region 4 61 Forsyth Street S.W. Atlanta, Georgia 30303-8960

Re: Flextronics International USA, Inc.'s Response to October 15, 2012 Notice of Potential Liability, Offer to Negotiate for Removal Action, and Information Request

Dear Mr. Hitchcock:

I am submitting this letter on behalf of our client Flextronics International USA, Inc. ("Flextronics") in response to your Notice of Potential Liability, Offer to Negotiate for Removal Action, and Information Request letter (the "Notice Letter") dated October 15, 2012. Flextronics is the successor in interest to Circuit Board Assemblers, Inc. ("CBA") as a result of a merger that was finalized on or about November 30, 1999. Although our investigation is continuing, the information we have discovered to date does not indicate any factual basis to conclude that CBA or Flextronics released the chlorinated hazardous substances identified in the Notice Letter at the 7303 Stony Hill Road Site ("Property"). As you correctly stated in the Notice Letter, we have had several discussions with Teresa Mann and Bianca Jaikaran to share the findings of our investigation, and we plan to continue to work cooperatively with the EPA to share additional pertinent information related to actions and activities at the Property as we may receive it. While we are certainly willing to participate in future negotiations about the Site, unless or until there is some factual basis to conclude there is potential liability for Flextronics, Flextronics is not inclined to pay for others' releases.

In the Site Background section of the Notice Letter, EPA states that CBA and C-Tron manufactured circuit boards and electronic components. It then very generally (and without reference to CBA or to time) states that "TCE and PCE are utilized as cleaning agents and vapor degreasers in circuit board production." It is our understanding that when CBA operated at the Property, CBA was assembling certain types of electronics including circuit boards at the Property and may have also conducted repairs on certain electronic equipment at the Property. But we have not identified any information that would suggest CBA ever used TCE or PCE as





cleaning agents, vapor degreasers, or otherwise at the Property. We have previously asked EPA to provide us with any information to the contrary, and we renew that request.

Flextronics respectfully submits that EPA's summary of activities on the Property needs to be clarified and corrected in certain respects. Flextronics objects to EPA's used of the phrase "CBA Property" throughout the Notice Letter. "CBA Property" unfairly suggests that CBA owned or continuously operated on the Property, which it did not. The 7303 Stony Hill Road Property has always been owned by the Albrights or an Albright entity. CBA never owned the 7303 Stony Hill Property, and CBA operated on the Property only from 1989 to 1991 or 1992. Public records indicate that Thomas and Susie Albright purchased the Property on January 5, 1989. On information and belief, the Property was leased to Albright Industries, Inc., which was later renamed Circuit Board Assemblers, Inc. As the CBA business expanded, it outgrew the building at the Property and in or about 1991 or 1992, relocated to Youngsville, NC. In 1999, CBA was merged with various Flextronics entities. CBA survived the merger and in or about May 2000 changed its name to Flextronics International NC, Inc. (the Notice Letter incorrectly identifies this date as 1990). Based on interviews conducted by the North Carolina Department of Environment and Natural Resources ("DENR") and filings with the North Carolina Secretary of State, it appears that C-Tron Incorporated ("C-Tron") began operating at the Property in or about 1991 or 1992. C-Tron conducted electronic assembly activities at the Property from around 1991 or 1992 until 1998. The 1992 and 1994 C-Tron annual report lists the Property as the principal office address, and a photo dated June 28, 1996 and contained in Wake County Real Estate records shows "C-Tron Inc." signage on the main building at the Property. The C-Tron incorporators were Susie Carol Albright and David Albright; Frank Failla is listed as the Secretary and later as President of C-Tron. From July 1998 until July 2000, Summit West, LLC, operated by Donald Albright, owned the Property (we understand that the drain pipe at a cinder block shed that the DENR identified as the likely source of contamination was installed during this time). Then, in July 2000, David and Donna Albright purchased the Property from Summit West, LLC, and C-Tron again operated at the Property until approximately October 2002 when the Property was purchased by its current owners Donald Albright and Catherine Albright. Since July 2002, Team Manufacturing, Inc., which is owned and operated by Donald Albright, has occupied and operated at the Property.

Based on Flextronics' review of the EPA analytical data presented on the EPA Figure 16 - Stony Hill Sample Results as of 9/28/2012 - EPA identifies a potential second source of groundwater contamination at or near 7648 Bud Morris Road, which was the former residence of members of the Albright family from 1988 until it was conveyed to the current owners on May 28, 2010. The Notice Letter states that EPA has sampled more than 100 residential wells and 11 community wells. The TCE concentration at the 7648 Bud Morris Road well is almost 400 percent higher than any well sampled by EPA to date except the adjacent 7708 Bud Morris Road property which was also owned by the Albrights until on or about September 25, 2009. Based on the distance from the 7303 Stony Hill Road property and the 7648 Bud Morris Road property and the topography between the two points, the hazardous substance impacts at the Bud Morris Road properties are not related to the impacts at the 7303 Stony Hill Road property. CBA never owned or conducted any activities on Bud Morris Road.



Given the data and information analyzed to date, Flextronics believes that if there were a release of hazardous substances at the 7303 Stony Hill Road property, that it occurred after CBA discontinued its operations there. As such, Flextronics respectfully defers EPA's invitation to actively participate in the response actions. Flextronics will continue its investigation while EPA continues it own information gathering activities to determine who the responsible party or parties are. If EPA discovers information that indicates CBA is responsible for a release of hazardous substances, we request EPA provide such information to us so we can evaluate EPA's information and position regarding liability and re-evaluate Flextronics response to EPA.

I have confirmed with Ms. Mann and Ms. Jaikaran that notwithstanding the notation at the top of the Notice Letter, an information request was not included. I do understand that a separate Section 104 Information Request letter will be sent soon.

If you have any questions regarding the content of the notification, please contact me at 404-879-2460.

Sincerely,

Jimmy F. Kirkland

JFK/tta